

Great budget . . . tight budget . . . lots to be proud of . . . collegial debate . . . good job by City . . . need for economic development . . . no squawking (yet) . . . need for butts in the seats next year (4)

The Bethlehem Gadfly Budget, Gadfly's posts, Serious Issues December 21, 2018

(4th in a series of posts on the Budget)

Nicole Radzievich, "Bethlehem taxes will rise by 3.8 percent." Morning Call, December 20, 2018.

"Taxes will rise by 3.8 percent, or about an additional \$34 for the average homeowner, next year under a \$78 million budget Bethlehem City Council unanimously approved Tuesday".

"The increase will help defray the rising cost of pensions, contracted salary increases and debt payments, according to Mayor Robert Donchez's administration."

"Meanwhile, city departments will dial back their spending to 2017 levels and the city will employ 590 workers, a historical low."

"The workforce was reduced because the city is transferring its 911 operations to Northampton County and changes in the labor contract at the golf course."

"The city also will save about \$750,000 when the operation of its 911 center is turned over to Northampton County by June of next year."

"Donchez is also looking to invest \$24 million over the next couple of years in bigger-ticket projects: repairing more streets, buying two firetrucks and an EMS vehicle and renovating Memorial Pool on Illicks Mill Road."

As reported earlier, Gadfly and Mr. Haines seemed to be the only spectators at the five budget discussions between the Administration and City Council — a sad fact wryly noted by President Waldron. But perhaps quite understandable.

No question such hearings are on the long side and by nature on the dull side too. (But not to Gadfly!) Unless there is some fight. But there was none of that.

Discussion, yes. Some back and forth, yes. But all cordial.

So our City budget is going up 3.8%, not so much as several others around us. Gadfly has heard no squawking. Might be too early. And this post might awaken a few. But several hoped-for requests did get in or on a kind of wish list for Casino sale tax dollars – Rose Garden, pedestrian bridge study, Food Co-op, Northside 2027. And Gadfly isn't aware of a major "want" that didn't get noticed.

Gadfly glazes over quickly when numbers are thrown about and will try to be more knowledgeable next time around. But he has heard during the current sessions that a good deal of the budget is fixed cost that can't be tinkered with, so there's not much discretion involved with a high percentage of the budget.

Gadfly would welcome comments by knowledgeable budgeteers.

In a previous post, Gadfly published some clips from the last budget hearing. At final passage December 18 the approval process went quickly. But here are some clips from Council members commenting on the process.

CM Callahan's is most interesting to Gadfly – explaining the need for the tax increase.

CM Waldron

AUDIO RECORDING UNAVAILABLE IN THIS ARCHIVE

Administration did well holding the line. Not easy to find fat. Money goes to personnel costs for public safety, pensions, health insurance. What would you cut? Streets, snow, parks, Christmas tree lights? Lots of practical conversations like this. Great budget that shows willingness of all sides to work together on what is ultimately a compromise. Thanks to all.

Mayor Donchez: <https://videopress.com/v/aBgOV5ZE>

Makes the announcement of County money coming for the pedestrian bridge study.

CM Reynolds: <https://videopress.com/v/MOEKxf7i>

Lot of investments in there we should be proud of. Thanks to the Mayor, Mr. Evans Mr. Sivac for painful decisions. Good comparison with Allentown. We would never have the kind of Administration/Council shenanigans that occurred there. Collegial debate. But Mr. Donchez would never do what the Allentown mayor did, and same with Council. Again, there's a lot in here that we should be proud of.

CM Colon and CW Negron: <https://videopress.com/v/OUnoWMFo>

CW Negron notes a "healthy and passionate discussion," especially on taking the fake tree out of the budget. She makes a strong pitch for the Rose Garden and pedestrian bridge on the "wish list" when Casino money is definite and appears.

CM Callahan

No room to cut anymore except for public safety. Doesn't take the increase lightly. Only the first time he's voted for increase. Remembers people struggling in the Kaywin neighborhood in which he grew up. A lot of people still struggling. Always conscious about raising taxes. Lots of people not living a high life style, living on tight budgets. Raising taxes on them is really a hardship. He's pro-economic development. Only 2 ways to raise taxes. If we don't have economic development, the only other way is raising taxes. Need to keep city affordable for middle class. Worries if we keep on raising taxes people won't afford to live here. Thankfully, we are a desirable place to live, worries about effect of taxes. Examples of Benner building bringing in \$250,000/yr in taxes and 510 Flats bringing in \$260,000 – that's real money, police officers and firemen, etc. So it's economic development or raising taxes, and the latter puts the burden on our residents. Not lecturing, but we have to understand what our priorities are. Recognizes the burden to keep cost down that falls on the City and thanks them for it. This is a tight, tight budget.

Wishes more people showed up for the budget hearings. Either everybody is ok with raising taxes or there's a lot of apathy out there. Please understand how hard we work on this. Tax increase basically due to rising costs of pension and healthcare – that's it, no additional hiring and no fluff. Show up next year and cheer us on.

Stay tuned for the Christmas tree discussion!